

# In fact

For The Millions Who Want a Free Press

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If Your Name Is Addressed in  
Red See Page 3

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George Seldes, Editor

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## Rubber Scandal

FOLLOWING testimony, given before Committee on Weights, Coinage and Measures, June 18, which Washington correspondent writes was not used in press, exposes a major rubber scandal.

Oscar Hauben, New York's largest scrap rubber dealer, testified that thousands of tons of rubber will not be turned in as most of our scrap rubber supply is in the hands of dealers who will not dispose of it at the prices set by Mr Henderson. The drive, he added, will not bring out the expected results but will tend to create an impression that we are short of scrap rubber when the opposite is true. *In a survey of Akron, Ohio, he estimated that 400,000 to 500,000 tons of scrap rubber were available for reclaiming.* Answering Rep Sauthoff (Prog, Wis) he said that the rubber dealers were not violating the price ceilings because old tires were not sold as scrap but as used tires, at \$200 to \$250 a ton.

Nat Kolodiz, scrap dealer for 27 years in Chelsa, Mass, said dealers throughout the country had large supplies of scrap rubber, but could not be induced to sell at the prevailing prices. He stated that he would guarantee 300,000 tons of scrap in 60 days if he could pay \$100 a ton for tires and \$200 a ton for tubes. Market for scrap is hampered by the fact dealers have to sell all their scrap to the "big four" who are in turn owned and controlled by the large tire companies.

Harold A Sims, Southwest Reclaiming Corp of Fort Worth stated he discovered after a survey that 250,000 tons of scrap rubber were available in his section. He suggested that it would be necessary to send questionnaires to all the scrap dealers in the country to get the true picture of available supplies. He said that the WPB is trying to block the building of a reclaiming plant in the Southwest and that if it is successful in this action the US will be deprived of all scrap in that region as transportation facilities are not available for shipment of scrap to reclaiming plants outside this area.

## Communications Crisis

IN 1929, in a time of profound peace, the communication lines of the US achieved the high standard of 20-minute service, from sender to receiver. In 1942, with communications a vital war industry, service averages 2 hours to five and there are conditions like these (reported in the ACA News, July, by Joseph Kehoe, director of Organization, American Communications Association):

Because of the dim-out regulations, New York Western Union closes all windows in its operating rooms at 9 P.M.; operators faint and take off

Nazi Emissaries Were Sent to See Sen Vandenberg p. 1

Wallace's Attack on Cartels Hailed in Britain p. 1

Press Which Buried Wallace's Speech Now Attacks It p. 3

THE following news items confirming IN FACT'S exclusive documentary expose of the Nazi Fifth Column preparations in America, have been sent us by newspaper men:

On November 21 1937 Captain Fritz Wiedemann, Hitler's personal adjutant, en route to the US, was exposed in Paris as heading a Nazi political mission whose purpose was to seek the support of leading American reactionaries and pro-Fascists to further Hitler's aggressive aim in Europe.

Mme Genevieve Tabouis, militant editor of L'Oeuvre, one of the 2% of the French press which was not bribed, wrote in her paper that day that it was the object of the Nazi mission to make contact with Senator Arthur H Vandenberg, isolationist Republican of Michigan.

United Press cabled a similar statement from Paris that day, adding that it was based on information from a reliable source in Berlin.

The New York Herald Tribune, which receives United Press service, suppressed the item concerning Vandenberg.

Mme Tabouis stated that Germany was seeking assurances from the US and Britain in order "to leave her hands free in the East, particularly concerning expansion in Central Europe towards Russia." (Note: Mme Tabouis, also called "Cassandra," was proved absolutely right when Germany attacked Russia in June 1941.) Mme Tabouis continued:

"The aim of the mission is to try to convince the American people that Germany wants peace but desires facilities in Central Europe. It also wants to show that Germany's great aim is opposition to Communism throughout the world. This mission will enter into close relations with Senator Vandenberg. . . ."

## WALLACE'S ATTACK ON CARTELS HAILED IN BRITAIN

THE international cartels, which the Hitler regime used for the penetration of American big business, and which planned a Fifth Column in American industry and politics—see last week's IN FACT—were attacked by Vice President Wallace in his Free World speech. He said:

"Modern science must be released from German slavery. International cartels that serve American greed and the German will to power must go. Cartels in the peace to come must be subjected to international control for the common man, as well as being under adequate control by the respective home governments. . . . With international monopoly pools under control, it will be possible for inventions to serve all the people instead of only the few."

This part of Wallace's great declaration of war aims was regarded as the most important by London's liberal Reynolds News which published speech in full. Said this paper: "That was an open attack on NJ Standard Oil. . . . It was a plain indictment of another American combine whose agreement with Zeiss . . . enabled the Nazis to estimate the sales of optical instruments in America and therefore to assess the state of progress in vital war industries.

"What VP Wallace said, in effect, was this: the future peace of the world depends not only on taking the profits out of war, but in taking the profits out of international trade. The first member of the British Gov't who talks like this will go places. Maybe to the House of Lords. Maybe to 10 Downing Street (premiership)."

The reference to the optical cartel refers to the manufacture of periscopes for American submarines, and other optical instruments. The agreement between the Nazi patent owners and their cartel companies in America provided that a report as well as a royalty be sent the Nazi firm. Thus, whenever a periscope for an American submarine was built it was duly reported, and Hitler knew exactly how many we were making, or had in service. In the airplane cartel Hitler's Bavarian Motor Works had a deal with Pratt & Whitney, Curtiss-Wright, Douglas (all exposed in Nye-Vandenberg munitions report) by which

(Cont. from wide column page 1)

they paid royalty on each engine; but the Nazis were permitted to pay a lump sum in 1934, after which the present Allies were kept ignorant of how many thousand planes Hitler was making secretly.

One of the great paradoxes of American life exists in the fact that the newspapers (with few exceptions) are corrupt and that the newspapermen (with few exceptions) are incorruptible.

The press is against labor; the newspapermen are for labor; they are a part of labor. The press is reactionary, anti-liberal, frequently pro-Fascist, but the writers are generally liberal and democratic. The press is on the side of the Big Money, the writers for the press are on the side of the common man. (Columnists, being big money earners, are the chief prostitutes of the press today.)

The press which suppressed Wallace's speech also upholds the big advertisers who are parts of the international cartels. The DuPonts and the Sloans, who have subsidized numerous Fascist outfits in America and almost all professional patriot societies, have the support of the press.

The press publishes the perverse propaganda of the Nat'l Ass'n of Manufacturers, who are also the men of the international cartels, but does not attack the cartels. But the newspapermen do.

The Guild Reporter, official organ of 18,000 writers and workers in the newspaper business, gives the following report (July 4) of the recent convention of the Guild:

"There has been laid bare before the American people a shocking record of the misuse, through the participation of certain American industrialists in international cartels, of the natural resources of this continent and of vital commodities, manufacturing processes, patents and other products of the ingenuity, skill and labor of the American people.

"It has been shown that these monopolistic cartels have operated in peacetime to produce an economy of scarcity resulting in high prices and restricted production, rather than an economy of abundance with accompanying low prices and full production.

"These cartels continued to operate in wartime, restricting or wholly withholding from the war effort vitally needed materials and manufacturing processes.

"The wartime participation in these cartels of certain American industrialists has shown an utter disregard for the national security amounting virtually to treason.

"The goals of the people's revolution—in peacetime or wartime—as outlined by Vice President Wallace, can only be realized through maximum utilization in a free economy of the resources of the American continent and the ingenuity, skill and labor of the American people.

"The convention urges upon Congress the passage of legislation which will effectively prevent the participation of American industrialists in monopolistic international cartels and additional legislation which will insure that patents, manufacturing processes and similar technological improvements will be made available for the use of the American people, such legislation to be in accord with the principles of a truly free enterprise system and the Constitution."

## PRESS BURIED WALLACE'S SPEECH, NOW ATTACKS IT

ONE of the finest up-to-the-minute examples of how the press fools the people of America and also poisons their thinking, is furnished by the history of the great war aims or "century of the common man" speech of Vice President Wallace.

The majority of American newspapers suppressed this great statement by the second highest elected official of their country, and those which did not, suppressed the important parts and ran a few paragraphs on a minor subject.

Within the past month newspapers which suppressed the entire speech or the important parts—(century of the common man; this war as a continuation of world revolutions for liberation; one war aim to supply milk for every child)—have come out with an attack on Wallace, a smear for his war aims. Thus, having engaged in a conspiracy of silence, so that the average American reader did not know the facts about the speech, the same newspapers now attack it, without printing it, and thus poison the minds of millions.

Also, all native Fascist, near-Fascist, anti-labor and reactionary columnists, headed by Westbrook Pegler (who is accused by the CIO News of lying about labor in 120 newspapers have taken a crack at Wallace's ideas. Since the pro-Fascist anti-labor columnists outnumber the honest columnists about 99 to 1, more poison is spread throughout the country against every idea favoring the general welfare. Here are sample snippings from our upper-bracket columnists:

Westbrook Pegler (Scripps-Howard press anti-labor leader; 120 papers; 6,000,000 circulation; \$65,000 a year salary) "This nonsense about the war aims of the U S is beginning to get out of control. . . ."

Paul Mallon (Hearst service; 200 papers; 8,000,000 circulation; \$17,600 a year) used his May 26 column to sneer at Wallace; two of his main points were exposed under the heading "Bunk", by PM.

"Heptisax" (Rodney Gilbert, exposed in IN FACT April 28, 1941, as a labor baiter) in his NY Herald Tribune column said Wallace's speech suggested "asinine

sick; but the Company does not install air-conditioning. A janitor in a Chicago Postal branch office unwittingly sweeps up and carries away a pile of live tape sent blind to the branch during the night. An untrained route aid in New York routes a cable to Portugal to CB office to be "delivered by boy." In Los Angeles during the month of May the Postal Company hires 31 new people, BUT 34 EMPLOYEES QUIT! A cable from the State Department takes five hours to go from one floor to another in 67 Broad St.

## "Alluring Speculation"

THE American Communications Association is aroused over the passage by the Senate (June 22) without a record vote, of a bill to permit merger of Western Union and Postal Telegraph. The merger would harm war effort by further impairing service through the proposed scrapping of facilities in the interest of profits. The union holds that the merger is being pushed for financial reasons (to bail out Postal Telegraph, which is losing money). It quotes the customers' letter of a Wall Street brokerage firm, Arthur Weisenberger & Co, describing the proposed merger as "truly a most alluring speculation," in which Western Union stands to make \$10,000,000 a year more net profits, plus saving \$4,000,000 by junking Postal facilities and using them for replacement and maintenance.

Service has deteriorated badly, mainly due to low pay, increasingly big turnover as employees get better paying jobs elsewhere, lack of an adequate training program, and lack of operating standards. The union is preparing to bring its case to the attention of the entire country, through paid newspaper advertising if necessary. Its program for gearing the communications industry to the war effort is to drop all attempts to solve the financial difficulties of the telegraph industry for the duration, while government, labor and industry jointly work out a war production program, based on these points:

1. Set service goals for the industry, specifically, a standard of 20-minute service from sender to receiver for all vital war messages.
2. Elimination of all non-essential business, such as singing telegrams, fixed texts, walking dogs, package delivery, etc.
3. Overcome labor shortage and terrific turnover by recruiting, training, and stabilizing workers and by raising wages from their present sub-standard level to one that will prevent workers from leaving the industry in droves.
4. Improve morale by positive recognition of industry's role as a major war industry and by the adoption of an adequate conversion program.
5. Maintenance of facilities, which are now in a bad state.
6. Provision for meeting the cost of conversion by Government as it has been done in auto, shipping, etc.
7. Executive order formulating the conversion program.

## Harry Bridges' Battalion

THE San Francisco local of the Int'l Longshoremen's & Warehousemen's

Union (CIO) is organizing a battalion, to be trained here and sent to any part of the world for United Nations longshore and warehouse work.

This plan, conceived by ILWU Pres Harry Bridges and at a stage where enlistments are being taken from all western ports, is the union's answer to Axis submarine warfare, Bridges said. The battalion will have 870 men and 19 officers. If this battalion speeds up loading and unloading as it is expected it will, more battalions will be formed and trained. It is in connection with this plan that Bridges has been in Washington, having been given two weeks' further extension before a court hearing on his deportation case.

Not only are labor unions protesting Att'y Gen'l Biddle's deportation order against Bridges, but "Officials of the War and Navy Dep't, the War Shipping Adm and the War Production Board complained bitterly that Biddle's out-of-the-blue-sky decree had handed them the war's No 1 political headache," the anti-liberal NYDNews reported. Labor unions have passed resolutions for a Congressional Medal of Honor for Bridges, who has done as much to win the war against Hitler as any American. Nat'l Federation for Constitutional Liberties is asking the public to continue to write protests to the President.

### From Concentration Camp

FROM Tanforan Assembly Center, San Bruno, Calif, IN FACT has received a copy of a letter sent President Roosevelt by 45 Japanese and Japanese-Americans, saying: "Because of our situation, we regret we have not been able as yet to participate in the war effort of this country in the way of production and combat. . . . It is our conviction that this people's war must end in victory for the Allied Nations. . . . We therefore call for an offensive—A SECOND FRONT NOW—for Victory."

### Connecticut Proud

CONNECTICUT liberals, labor unions and other anti-Fascist forces are proud of two facts: that every Congressman from the state has signed the request that the Geyer bill to abolish the poll-tax be brought to a vote and that 5 of its 6 representatives voted against extension of Dies Committee (which worked together with the German-American Bund, whose leaders are now being arrested by the FBI). News of Conn, official organ Non-Partisan League, (July 10) says Conn Congressmen were swamped with letters demanding and applauding both actions.

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world improvement"; he called it "this perambulating Iowa pipe dream". The peace of the common man, Heptisax said, was propaganda. Finally the writer for the \$50,000,000 paper showed his disgust for both ideas of education and milk for the common people.

Frank R Kent (Baltimore Sun and 112 papers; 7,000,000 circulation; \$33,000 a year) wrote: "The strenuous effort to make V-P Wallace into a superman has been pushed just a little too far. . . . The overpraise brought the inevitable reaction. Some of his associates in the Senate have begun to laugh. . . . The radicals also went into hysterics about it (the Wallace Speech). . . . The whole thing has become ridiculous. . . ." (The facts: since the speech was generally suppressed, and since papers which did not print it attacked it, there was no "overpraise" in the press. The reprinting in a dozen of our biggest papers, including St Louis Post-Dispatch, Chicago Sun, PM, Daily Texan, Detroit Free Press, Rocky Mt News, by public request gives the lie to this columnist.)

New Orleans Item (editorial) said it favored education and milk for all but declared this is visionary and impossible. "Who" it asked, "would pay the bills for educating, feeding and making democrats of all these mixed and myriad breeds . . . if we conformed to the Wallace dream?" (Some one ought to tell the Item how it can be done without money.)

NY Daily News (largest circulation in the nation) in an editorial "Brave New World," decided that Wallace was "vague," that his idea was "a lovely thing to talk about and to dream about," but "we can assure the talkers and the dreamers, however, that when and if they try to bring these dreams into cold, solid reality after the war, they will fan up a fight in this country which will make the recent isolationist-interventionist fight look like a mere warm-up." The NYDN editorials are written by the owner, Capt Patterson, a renegade Socialist worth \$50,000,000 or more, and Reuben Maury, who was recently exposed as also writing editorials of exactly the opposite viewpoint in Colliers. (In defense Maury said he was a hired hand, writing for money.)

Chicago Tribune (Col McCormick; 1,000,000 circulation) suppressed the Wallace speech, ignored it editorially, but referred to Wallace once as "mystic—engaged in dreams."

Arizona Daily Star, Tucson: "Will such a plan embracing racial equality and removal of our tariff and immigration barriers work out? Will the people of America support a people's revolution? But even more than that Mr Wallace and his followers will probably find out that such a plan will lead to a 'people's revolution' all right, but not the kind he has in mind."

Lynn Landrum, The Dallas News' own Pegler: "You supposed you were really fighting to keep things the way they are in the U S instead of proposing any bloody crusade to ram freedom down the throats of the rest of the world."

San Diego Union-Tribune: "Wallace's speech sounds wonderful but, insofar as its being practical is concerned, it is so much oratorical flapdoodle."

Some newspapers which lacked the temerity to attack the speech outright ignored Wallace's demand for economic security, education and democracy for all human beings and tried to twist his speech into something that suited their own ideas of a post-war world. An example was The Dayton News, which said: "Some apprehension has been expressed in highly conservative quarters at Wallace's 'revolution of the common man.' . . . The revolution the Vice President talks about goes back . . . to 'blessed are the poor' and it goes back on a large scale to this 'all men are equal' declaration of ours."

### Cartoonist Forced to Apologize

"Ding" (J N Darling, cartoonist, NY Herald Tribune, Des Moines Register) drew a vicious cartoon making fun of Wallace. So many readers protested that Darling had to write a letter of apology (Register, July 1). Darling spends most of his time doing anti-labor cartoons.

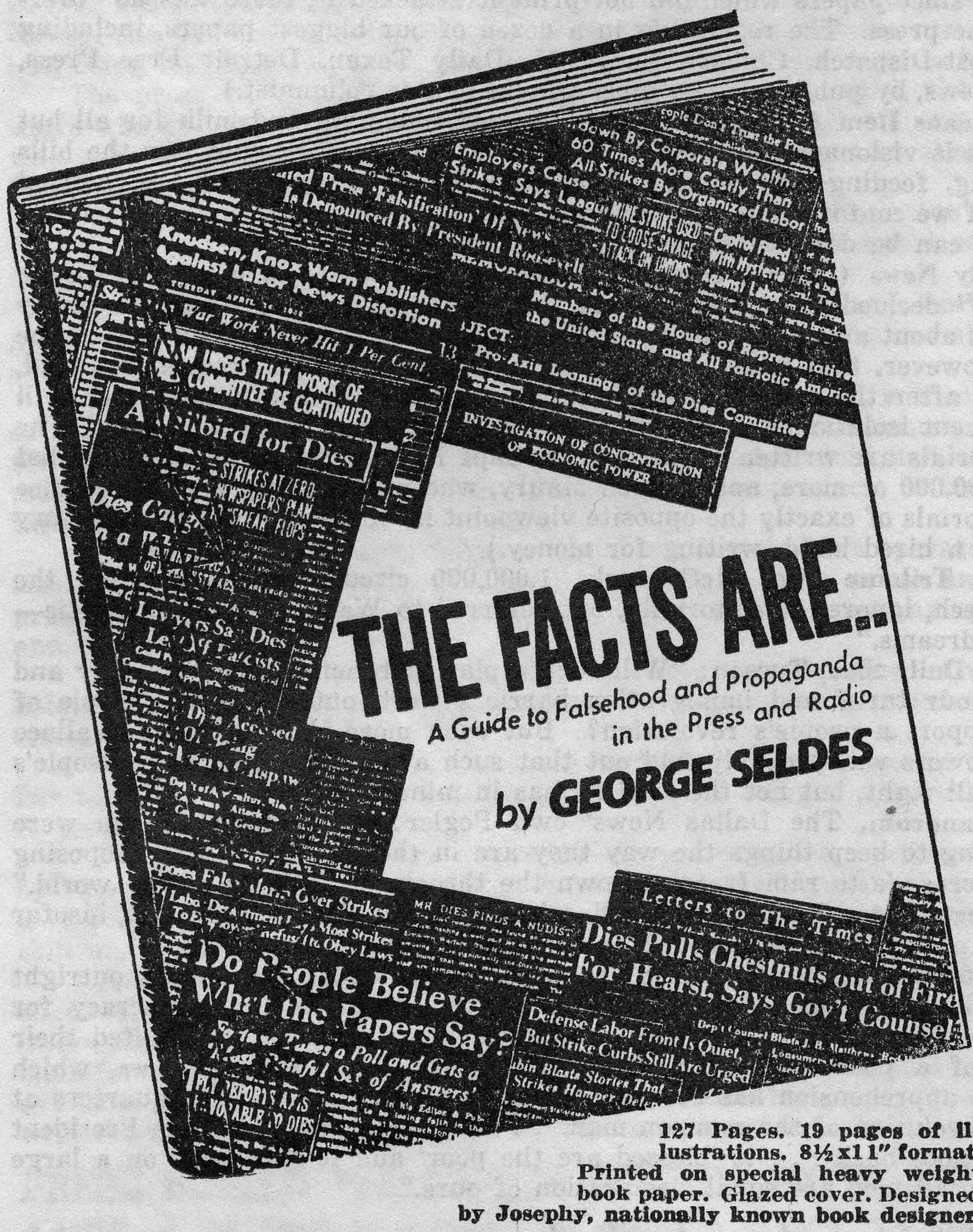
Harry M Beardsley, Chicago Daily News, wrote a 3-col attack on the Wallace speech (June 5).

Thomas F Woodlock, clerico-Fascist columnist, and Raymond Moley, new deal renegade, both wrote their columns in the Wall Street Journal in opposition to Wallace, Welles, Milo Perkins, and others who have expressed idealism for the coming peace, rather than hope for big business triumphs. Editorially W St Journal said (June 6) that whereas it approved the Atlantic Charter, it opposed "additional promises so far reaching as to be either meaningless or dangerous." These included "demanding higher social and economic standards." Then Wall Street's speaker came across with a brand new idea: "There are not four but five freedoms for which the war must be fought. The fifth is the freedom of any people to reject the first four." (In other words, freedom not to have freedom, which equals Fascism.)

IN FACT printed 35,000 extra copies of Wallace's speech, May 25 issue. Readers who sent their copies to the Vice President will be pleased to know that they received his personal attention.

Incidentally, Wallace's speech got much the same treatment from the commercial press in England as it did in the U S, but through the efforts of the labor and liberal papers the British people are learning about it. The Labor Party, at its annual conference held recently in London, unanimously passed a resolution on post-war reconstruction closely paralleling Wallace's declaration that we are entering a century which must be the century of the common man.

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"I must say it is quite the greatest document on exposure of the press that has as yet been published. It surpasses, to my mind, the 'Brass Check' by Upton Sinclair."—F. V. Banks, Sec.-Treas. General Grievance Committee, Brotherhood of Locomotive Firemen and Enginemen, N. Y. Central Lines, West.

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